

AUSA Russell Phillips
9-23-15

1. The FBI believes that Stan Kowalewski is defrauding investors in a new company called Global Remediation Solutions LLC (sometimes referred to herein as "GRS").
2. GRS was formed in South Carolina on July 31, 2013. Its address is listed with the South Carolina Secretary of State as 66 Portrait LN, Pawleys Island, SC 29585-6531.
3. GRS has a website: <http://www.globalremediationllc.com/>
4. The GRS website lists the following contact information on its "About Us" page:
 - Offices in California, Colorado, South Carolina and Qatar
 - HQ - 9841 Ocean Hwy Unit A, Pawleys Island, SC 29585
 - Telephone - (843) 979-1600
 - Fax - (843)-979-1601
5. The GRS website does not mention Stan Kowalewski. The website lists only the following employees:
 - Michael Navetta - Senior Vice President/Project Manager
 - David Hopper - Program Director
 - Jong Soo Cho - Project Manager/Director of Scientific Research
 - William J Dallis - Project Manager
 - Michael Frasco - Director of Technology & Engineering
 - Jason Terry - Environmental Consulting & Remediation
 - Kevin Laster- Project Manager
 - Travis Darden - Project Geologist
 - David White - General Contractor
6. The GRS website claims the following as GRS Team Accomplishments:
 - Industrial tank cleaning & Industrial maintenance
 - Demolition & Decommissioning

- Fresh and Saltwater Marsh Solutions
- Oil Remediation
- Hydrocarbon & Heavy Metal Remediation
- Ammonia Reduction
- Livestock Maintenance
- Environmental Consulting
- Hydroblasting
- Underground storage tank removal
- Soil & Groundwater Remediation
- Waste Management
- Oil recycling emergency spill response
- Environmental hazardous waste removal
- Remediation of Hazardous waste and petroleum contaminated sites
- Experience with mangroves and oil remediation
- Landfill Solutions
- Hydrogeologic Investigations
- Managed projects for the US Navy, Army Corps of Engineers, US Marines, US Air Force and US Department of Agriculture
- Air quality monitoring
- Initial groundwater assessments

7. The GRS website further states as follows: “Global Remediation Solutions, LLC is a full service environmental solutions provider. We combine decades of experience with the latest technology and specifically Pureous products to achieve true results for our clients. Within our organization we have engineers, geologist, chemist, microbiologist and many other specialty personnel to assist our clients. We provide solutions for many industries such as oil and gas, power

generation, water/waste water, mining, road construction, and manufacturing among others.”

8. Kirby Oblachinski served as Director of Global Sales for GRS from March 1, 2015 through August 26, 2015. Oblachinski will testify that Kowalewski used a brochure in sales pitches to prospective investors the entire time Oblachinski was employed at GRS. Oblachinski obtained a copy of that brochure and provided it to the FBI.
9. The GRS brochure states on Page 16: “Stan Kowalewski serves as the Chairman and Chief Executive Officer of Global Remediation Solutions and is the company’s founder. He brings over twenty years of experience of running businesses and oversees all operations of the company. Prior to forming Global Remediation, he was responsible for the entire hedge fund of funds groups at . . . Columbia Partners, Global Asset Alternatives and Phoenix Advisers. . . .”
10. The GRS brochure does not mention Kowalewski’s involvement with SJK Investment Management, LLC (the investment firm that is the subject of the case set for trial before Judge Story on October 26, 2015). The government believes that this is a material omission since Kowalewski is charged with wire fraud, obstruction of an SEC proceeding, and conspiracy in connection with his participation in a scheme to defraud SJK’s hedge fund investors out of more than \$11 million.
11. The GRS brochure further states as follows:
 - Page 2 — Who We Are — “As the exclusive Global Distributor for the Pureous Product Line combined with our proprietary GRS Soil Stabilization product we now offer complete turn key remedial solutions on a Global Basis.”
 - Page 3 — Global Environmental Market Size — “In 2010, the value of the global environmental services market reached \$505.5 billion.”
 - Page 9 — 2014 CashFlow and Expenses — “In an effort to keep expenses to a minimum, most employees are either variable or deferred compensation during FY14 and continuing in FY15 until revenue reaches a level conducive to normal wages.”
 - Page 13 — Offer — “GRS is offering up to a 5% equity stake for 5,000,000.00. Equity can be purchased partially or in its entirety.”
 - Page 13 — Use of Funds — “With over 3.045 billion in currently engaged sales our initial equity round will be used to fund project specific testing, marketing and sales team expansion on a global basis. GRS has identified a

current opportunity to purchase majority control of Pureous Products, LLC at a reasonable price and we have a short window to pursue this."

12. In July 2015, Kowalewski told Oblachinski that he (Kowalewski) was going to give up around 5-6% of his equity in GRS in order to raise capital. Kowalewski later told Oblachinski that he raised the funds in just a few hours.
13. On July 15, 2015, Kowalewski sent the following email to the GRS investors

tobraceu@sc.rr.com

"Coachjoe Harrington" coachjoeharrington@yahoo.com
 <Bdallis@sc.rr.com>, "Richard Stroud" <Richard@n-tiersolutions.com>,
 "Bill Smith" <bsmith@redrockdevelopments.com>,
 <dannyrDaniels@bellsouth.net>, <jeffwalsh@bellsouth.net>,
 <rockmanw1@aol.com>, "Kenneth Orbeck, D.O."
 <korbeckdo@bodylogicmd.com>, <dromore1963@gmail.com>,
 <crownpleaser@aol.com>, "RICHARD BRYAN" <fatdaddy2@msn.com>,
 "James Ludden" <jludden58@gmail.com>, "Saul J. Martinez"
 <saulm@sccoast.net>, <dbkx1@northstate.net>,
 <zeldaofgatsby@bellsouth.net>, <kls50@aol.com>, "WEO1"
 <WEO1@frontier.com>

Cc: "Steven Freed <GreenWave Financial Mkts>"
 <sfreed@greenwavefm.com>, <leonlocklear@yahoo.com>, "Glen Small"
 <rgs1414@aol.com>, "cin" <fab82752@aol.com>, "valerie harlow"
 <valpal55@gmail.com>, <timothyharlow@hotmail.com>,
 <tillmon.naillon@duke-energy.com>, <kirby@globalremediationllc.com>,
 "Dayna Sitnik" <dayna@globalremediationllc.com>

Subject: Global Remediation Solutions Dinner / Equity Distribution Information

Hello All,

Sorry for the delay in getting back to you regarding the dinner. It will be held on Friday, July 31st from 6 to 9 PM at Pawleys Prime Steak & Fish which is located in the Hammock Shops at 10880 Ocean Highway in Pawleys Island. You and your significant other are invited.

Dayna Sitnik will be calling you in the next 48 hours to see if you will be attending the above. She will also be looking for information as to how you would like your distributions to be delivered. The options are the following:

- 1) Check sent via overnight courier (will need your preferred physical address)
- 2) Wire transfer (will need your complete wiring instructions)
- 3) Direct deposit into a Bank of America account if you have one

We expect distributions to be made prior to the dinner. Please let me know if you have any questions.

Best regards,

Stan

Stan Kowalewski

Chairman and Chief Executive Officer
Global Remediation Solutions LLC
PO Box 2323
Pawleys Island, SC 29585
Phone: 843.957.0210
Facsimile: 843.979.1601
E-mail: stan@globalremediationllc.com
<mailto:stan@globalremediationllc.com>
Website: www.globalremediationllc.com
<http://www.globalremediationllc.com>

14. Kowalewski fired Oblachinski on August 26, 2015 and threatened to sue him for \$10 million. Oblachinski provided the FBI and USAO with a copy of the letter of termination he received from Kowalewski.
15. Oblachinski will testify that Kowalewski has tried to intimidate him since firing him from GRS. For example, Oblachinski will testify that Kowalewski left one of Oblachinski's GRS business cards and knife on Oblachinski's front porch on or about August 26, 2015. That same day, Oblachinski saw Kowalewski driving through his neighborhood, even though Kowalewski lives 4 hours away in Pawleys Island.
16. On September 19, 2015, at 4:21 PM, Kowalewski sent an email to Oblachinski saying, "we are watching your every move."
17. Oblachinski will testify that Kowalewski stated to him: "I will never go to jail. I know who will not extradite back to USA."

18. Oblachinski told the FBI and USAO that he believes "Kowalewski is stock piling the funds and will leave the Country on or before October 26 court date."
19. Oblachinski will testify that Kowalewski "has a lot of connections in Middle East. He had a kid working in his office that attended Coastal Carolina University that was part of the Royal family in some Middle Eastern Country. His family had 2-3 airplanes."
20. Oblachinski will testify that Kowalewski "lives in a million dollar home," which is held in his mother-in-law's name.
21. Oblachinski will testify that Kowalewski's sister-in-law Bridget Fontenot has "part of the hidden money."
22. On September 4, 2015, Oblachinski sent this email to AUSA Steve McClain: "Got a call yesterday from Bob Hill with Pureous Products of Dallas Texas (a supplier to Global Remediation Services). He asked me if I knew anything about a Federal case involving Kowalewski, I told him to look it up on the Federal Pacer system or call any attorney and they can do the research. He stated that Stan K told him this week that all issues were settled and he was not planning on anything on Oct. 26 2015."
23. In the 3rd and 4th quarters of 2014, a witness named Eric Schwab attended GRS investor meetings and client presentations with Kowalewski. Schwab will testify that Kowalewski told investors blatant lies about the scope of potential deals in the Middle East. In addition, Kowalewski falsely represented to investors that Eric Schwab was the nephew of Charles Schwab (the founder of the Charles Schwab brokerage firm), knowing that to be untrue.
24. According to Eric Schwab, Kowalewski previously called his company EcoGreen, but subsequently changed the name to SE Clean and then to GRS.
25. The products that Kowalewski and GRS are selling are purportedly supplied by a company called Pureous. Eric Schwab was to be the sales, marketing, and management arm for a chemical product that Pureous was developing. In January 2014, Schwab found out that Kowalewski was making unfounded claims and false representations to clients concerning Pureous product certifications and testing results.
26. In addition, Eric Schwab will testify that Kowalewski knowingly made false representations to clients concerning his company's sales volume and the names of clients with which he had previously done business.

27. Kowalewski wrote Eric Schwab two checks totaling \$40,000 on a GRS account. Both checks bounced. Kowalewski gave Schwab multiple excuses about why the checks had bounced.
28. Eric Schwab received telephone calls from multiple individuals who said they had invested with Kowalewski in prior deals, and that Kowalewski had made false and fraudulent representations to them concerning their investments.
29. Schwab will testify that, in or about the first week of May 2015, Kowalewski, paid \$905,000 in cash for a house located in Pawley's Island, South Carolina. Kowalewski bought the house in the name of Mollis Group LLP, rather than in his own name.
30. On March 6, 2014, Rose Buza, who identified herself as Kowalewski's aunt, contacted the FBI and asked if the FBI was aware that Kowalewski may have offshore bank accounts. Buza has not seen Kowalewski in about 20 years but advised that Kowalewski used to conduct offshore business in Japan and in Europe many years ago and he may have money stashed there.
31. The FBI has interviewed multiple investors who stated that they had received from Kowalewski, via email, a letter dated July 30, 2015, in which Kowalewski made multiple excuses about why GRS had not made distributions to its investors, as previously promised by Kowalewski. That letter states as follows:

"So, at the end of the month, the news is very positive and earnings will be very strong throughout the quarter. I apologize if I was a little ahead of myself for announcing distributions during the month of July (but we won't be too far off!) and I didn't foresee the cash crunch that we are under as outlined above. The good news is that we have enough revenue already that can advance the capital needed to get these project/sales underway and completed."

32. None of the GRS investors interviewed by the FBI has received a dime from Kowalewski.
33. In the July 30, 2015 update letter, Kowalewski also states the following:

"In mid-March, we sent you test results for the PCB's that were brought to us from Florida. Florida Power & Light and Duke Energy have PCB contamination sites across the state. We have identified hundreds of contaminated PCB just in the Southeastern United States and are diligently looking for the low hanging fruit to grab in this sector. We have had significant discussions with the national EPA in Washington, specifically with Winston Lue who is the head of PCB contamination for the entire country for the EPA. The final step for approval as an alternative method to treat PCB's is

to do a live pilot test. We have found a site in New York that is willing to undertake the project and we are looking to schedule this towards the end of the month. This is the last step prior to the EPA giving us the green light for our product to be used to treat PCB's nationwide. To put this into perspective, there are tens of thousands of PCB contaminated sites just in the US. No product has ever reduced PCB's to non-detect. We have already done this in the lab and now need to prove it in the field. Further update is that our site in New York has been approved by the EPA for testing and we are in the process of applying for the permits right now."

34. The FBI has interviewed Winston Lue, and Lue advised that he is not the head of PCB contamination for the entire country for the EPA, and referred to himself as a lowly engineer. Lue advised that there have been communications with representatives of GRS, but nothing he would classify as extensive. The extent of the discussions included GRS asking questions of what they needed to do to follow the EPA permit process and Lue advising of what the process was. Lue advised that no permit applications have been filed with the EPA by GRS and that the statement that Kowalewski made — "This is the last step prior to the EPA giving us the green light for our product to be used to treat PCB's nationwide" — is false as far as the EPA process is concerned.
35. On May 28, 2013, Clyde C. Kiser invested \$25,000 with Kowalewski. Kowalewski gave Kiser a promissory note and signed it as the chairman of SE Clean Solutions. The promissory note accrued interest on the principal amount at the rate of 100% and was payable every 30 days. Kiser advised the FBI that he never received any interest on his investment and it took him 1.5 to 2 years to get his money back from Kowalewski. Kowalewski finally gave Kiser his principal back only after Kiser confronted Kowalewski with the fact that SE Clean Solutions was not even formed until August 2013, over two months after the date the promissory note was signed. Kiser accused Kowalewski of committing a fraud, and Kowalewski gave Kiser his money back. Although this conduct is prior to the indicted charges, it establishes a continued history of Kowalewski defrauding investors.
36. The FBI has interviewed multiple investors who advised that they were not aware of the pending charges against Kowalewski. One investor became extremely concerned when he learned of the pending charges.
37. Investor Dr. Jeffery S. Walsh invested with Kowalewski approximately one year ago during the summer of 2014. Walsh advised the FBI that he last spoke to Kowalewski during mid-August 2015, at which time they discussed the GRS update letter described above. At that time, Kowalewski told Walsh that he had \$10 million dollars coming in. Walsh did not receive his dividend as promised and has not received a dime from Kowalewski.

38. During an FBI interview, the interviewee advised that they tried to call the sales office number on the Pureous website, left a message inquiring about Pureous products, and never received a call back.